

**BellSouth Telecommunications, Inc** 

333 Commerce Street Suite 2101

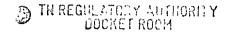
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Nashville, TN 37201-3300

\*ny npp 220 pm 4 15 April 29, 2004 **Guy M Hicks** General Counsel

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VIA HAND DELIVERY

Hon. Kim Beals, Hearing Officer Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37238

Re: Joint Petition for Arbitration of NewSouth Communications Corp., et al. of an Interconnection Agreement with BellSouth Telecommunications, Inc. Pursuant to Section 252(b) of the Communications Act of 1934, as Amended Docket No. 04-00046

Dear Ms. Beals:

On April 26, 2004, BellSouth Telecommunications, Inc. ("BellSouth") filed, in the above-referenced docket, a letter summarizing the recommendation of the Staffs of the Louisiana and Georgia Public Service Commissions with regard to the Motions to Sever or to Impose Procedural Restrictions filed in similar proceedings to the above-referenced proceedings in Georgia and Louisiana.

The Georgia Public Service Commission ("GPSC"), on April 22, 2004, filed its Order on BellSouth's *Motion to Sever or Impose Procedural Restrictions*. While the GPSC decided not to sever the Georgia proceeding, the GPSC did agree with BellSouth that procedural safeguards should be adopted. More specifically, the GPSC found that the Joint Petitioners may only sponsor one witness, or witness panel, for each issue or sub-issue, and the CLECs may only cross-examine each BellSouth witness, or witness panel, once.

The Louisiana Public Service Commission ("LPSC"), on April 26, 2004, entered its Order on *BellSouth's Motion*. While the LPSC decided not to sever the Louisiana proceeding, the LPSC also agreed with BellSouth that procedural safeguards should be adopted. More specifically, the LPSC found that the Joint Petitioners may nominate a common witness to testify on behalf of all Petitioners

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for each issue or subissue. If BellSouth objects to the common witness' testimony, and the objection is sustained, each Petitioner will be provided the opportunity to file company-specific testimony and have the opportunity for a witness to testify to company-specific facts.

For the convenience of the Authority, I am enclosing fifteen copies of the GPSC's and LPSC's Orders.

Thank you for your attention to this matter.

Very truly yours,

M. Hicks

GMH:ch

#### **BEFORE THE**

## LOUISIANA PUBLIC SERVICE COMMISSION

NEWSOUTH COMMUNICATIONS
CORP., KMC TELECOM V, INC.,
KMC TELECOM III, LLC, and
XSPEDIUS MANAGEMENT CO.
SWITCHED SERVICES, LLC, XSPEDIUS
MANAGEMENT CO. OF BATON ROUGE,
LLC, XSPEDIUS MANAGEMENT CO. OF
LOUISIANA, LLC and XSPEDIUS
MANAGEMENT CO. OF SHREVEPORT,
ex parte

DOCKET NO. U-27798

In re: Joint Petition for Arbitration of an Interconnection agreement with BellSouth Telecommunications, Inc. pursuant to Section 252(b) of the Communications Act of 1934, as amended.

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#### **ORDER**

Considering the forgoing Motion & Recommendation;

#### IT IS HEREBY ORDERED:

- 1. That "Bellsouth's Motion To Sever Or To Impose Procedural Restrictions" is denied.
- 2. As it relates to common testimony, Petitioners nominate one witness ("Common Witness") to testify on behalf of all Petitioners. There can be a Common Witness for each issue or sub-issue in dispute. The Common Witness' testimony will inure to the benefit of all Petitioners.
- 3. If Bellsouth objects to the Common Witness' testimony on the grounds of hearsay; and the objections are sustained, each Petitioner will have an opportunity to have a

predetermined witness ("Fact Specific Witness") testify on its behalf in order to introduce the hearsay testimony of the Common Witness.

4. Each Petitioner will have an opportunity to file company specific testimony and have an opportunity for a witness testify to those company specific facts.

Baton Rouge, Louisiana this 2006 day of Cipil, 2004.

Administrative Law Judge

ce: Official Service Rist

Service List Docket No. - U-27798

All Commissioners
Edmond Jordan - LPSC Staff Attorney
Pam Meades - LPSC Utilities Division
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GENERAL COUNSEL-GEORGIA

Docket No. 18409 U

In Re: Joint Petition for Arbitration of NewSouth Communications Corp., NuVox Communications, Inc. KMC Telecom V, Inc., KMC Telecom III LLC, and Xspedius Communications, LLC on Behalf of its Operating Subsidiaries Xspedius Management Co Switched Services, LLC and Xspedius Management Co. of Atlanta, LLC

#### ORDER ON MOTION TO SEVER

On February 11, 2004, NewSouth Communications Corp., NuVox Communications, Inc. KMC Telecom V, Inc., KMC Telecom III LLC, and Xspedius Communications, LLC on Behalf of its Operating Subsidiaries Xspedius Management Co. Switched Services, LLC and Xspedius Management Co. of Atlanta, LLC ("Joint Petitioners") filed with the Georgia Public Service Commission ("Commission") a joint petition for arbitration with BellSouth Telecommunications, Inc. ("BellSouth"). The Joint Petitioners defended the requested consolidation by arguing that proceeding in such a manner will maximize limited resources, efficiency and bargaining power (Joint Petition, ¶ 12).

On March 1, 2004, BellSouth filed a Motion to Sever, or in the Alternative to Impose Procedural Restrictions ("Motion"). In its Motion, BellSouth stated that the Federal Telecommunications Act of 1996 ("Federal Act") did not contemplate consolidated arbitration petitions but conceded that there were times when consolidation would be appropriate. (Motion, p. 2). BellSouth stated that the Joint Petition suffered from two flaws. First, the proper procedure would be for the Joint Petitioners to have filed separately and then moved for consolidation. *Id.* Second, BellSouth argued that the Joint Petitioners did not adequately set forth the justifications for consolidation. *Id.* BellSouth stated that it would not object to the consolidation with the adoption of certain safeguards. Specifically, the Joint Petitioners' positions with respect to the issues raised in the arbitration should be identical, the Joint Petitioners should be limited to one witness per issue. *Id.* at 5.

On March 9, 2004, the Joint Petitioners filed a Response and Opposition to BellSouth's Motion In its Response, the Joint Petitioners reiterated the potential for efficiency with a consolidated arbitration. Of the over 100 outstanding issues, only six are raised by just one of the CLECs. (Response, FN 1). Also, the Joint Petitioners argued that the Federal Act did indeed

Commission Order Docket No. 18409-U Page 1 of 3 contemplate multiple requesting carriers to an arbitration as evidenced by the reference in 47 U.S.C. § 252(a)(1) to "a requesting telecommunications carrier or carriers." Id. at 3. The Joint Petitioners also reason that the negotiations were conducted jointly; therefore it would be wasteful to require four separate petitions for arbitration. Id. at 5. Finally, the Joint Petitioners criticized BellSouth's Motion for a failure to cite legal authority or rational basis for requiring the Joint Petitioners to file separately and then move for consolidation. Id

On March 25, 2004, BellSouth filed a Reply Memorandum in Support of its Motion ("Reply"). BellSouth's Reply focused on the lack of precedence for the Joint Petitioners' proposal and the potential unfairness to BellSouth of any "strategic gamesmanship" that may be employed by having individual petitioners stake out positions of varying degrees of aggressiveness with respect to a particular issue. (Reply, p.6). Finally, on March 30, 2004, the Joint Petitioners filed a Rebuttal to BellSouth's Reply Memorandum ("Rebuttal"). The Joint Petitioners pointed out that they have adopted a single position statement with respect to each issue and that they would cross-examine BellSouth once per issue. (Rebuttal, p. 3). Further, the Joint Petitioners argued that not only did BellSouth fail to state any reasonable claim of prejudice that it would incur should the arbitration be consolidated, but the Joint Petitioners would stand to be prejudiced should the Commission adopt the restrictions proposed in BellSouth's Motion on their right to sponsor testimony. Id. at 3-4.

#### DISCUSSION

While there is a benefit to administrative efficiency, it should not disadvantage BellSouth in its ability to defend its positions. BellSouth does not categorically object to moving forward with a consolidated arbitration, but has identified several conditions that it believes should be incorporated into any such proceeding. The Commission denies BellSouth's Motion to Sever, and focuses on what procedural safeguards must be in place in order to strike the proper balance that will achieve the efficiencies of consolidation without prejudicing BellSouth.

First, the Joint Petitioners may only sponsor one witness, or witness panel, for each issue or sub-issue. The Joint Petitioners may file joint testimony and sponsor a witness panel consisting of representatives on behalf of more than one of the consolidated CLECs. If applicable, a particular witness may offer company-specific experience to support the joint position, but the CLECs as a whole must provide only one position statement. The purpose of this restriction is to avoid the Joint CLECs stating different positions and seeking different forms of relief with respect to an issue. Without this restriction, the efficiencies intended by the consolidation would be lost. Second, the CLECs may only cross examine each BellSouth witness, or witness panel, once. This restriction would not apply if BellSouth were to re-call a witness, or witness panel, for rebuttal. This restriction is necessary in order to avoid prejudice to BellSouth.

At its April 6, 2004, Administrative Session, the Commission adopted its Staff's recommendation to assign the matter to a Hearing Officer for the establishment of a procedural and scheduling order consistent with the procedural safeguards outlined above.

> Commission Order Docket No. 18409-U Page 2 of 3

# WHEREFORE IT IS ORDERED, that BellSouth's Motion to Sever is denied.

ORDERED FURTHER, that the consolidated arbitration shall proceed subject to the procedural safeguards outlined above.

ORDERED FURTHER, that the matter is hereby assigned to a Hearing Officer for the establishment of a procedural and scheduling order with the procedural safeguards outlined above.

ORDERED FURTHER, that all findings, conclusions and decisions contained within the preceding sections of this Order are adopted as findings of fact, conclusions of law, and decisions of regulatory policy of this Commission

ORDERED FURTHER, that any motion for reconsideration, rehearing or oral argument shall not stay the effectiveness of this Order unless expressly so ordered by the Commission.

ORDERED FURTHER, that jurisdiction over this proceeding is expressly retained for the purpose of entering such further order or orders as this Commission may deem just and proper.

the above by action of the Commission in Administrative Session on the 6th day of April. 2004.

REECE MCALISTER

**Executive Secretary** 

Chairman

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### **CERTIFICATE OF SERVICE**

I hereby certify that on April 29, 2004, a copy of the foregoing document was served on the following, via the method indicated H. LaDon Baltimore, Esquire [] Hand [] Mail Farrar & Bates [ ] Facsimile 211 Seventh Ave. N, # 320 Nashville, TN 37219-1823 [] Overnight don.baltimore@farrar-bates.com ₩ Electronic John J Heitmann [] Hand Kelley Drye & Warren [ ] Mail 1900 19<sup>th</sup> St, NW, #500 [ ] Facsimile [ ] Overnight Washington, DC 20036 iheitmann@kelleydrye.com Electronic

